

AMENDED IN SENATE JUNE 29, 2016

AMENDED IN ASSEMBLY APRIL 25, 2016

AMENDED IN ASSEMBLY APRIL 14, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1554

Introduced by Assembly Member Irwin

(Principal coauthor: Senator Huff)

**(Coauthors: Assembly Members Campos, Gipson, Gonzalez, Levine,
Lopez, and Williams)**

January 4, 2016

An act to *amend Sections 23004 and 23005 of, and to add Sections 23003.1, 23794, ~~24200.7, and 25623 to and 25623.5 to~~*, the Business and Professions Code, relating to powdered alcohol.

LEGISLATIVE COUNSEL'S DIGEST

AB 1554, as amended, Irwin. Powdered alcohol.

The Alcoholic Beverage Control Act contains various provisions regulating the application for, the issuance of, the suspension of, and the conditions imposed upon alcoholic beverage licenses by the Department of Alcoholic Beverage Control. That act imposes additional regulations on the sale of alcoholic beverages and creates penalties for violations of those regulations.

This bill would prohibit the department from issuing a license to manufacture, distribute, or sell powdered alcohol, ~~as defined, and would require the department to revoke the license of any licensee who manufactures, distributes, or sells powdered alcohol, as provided.~~ *defined*. This bill would prohibit the *possession*, purchase, sale, offer for sale, distribution, manufacture, ~~possession~~, or use of powdered

alcohol and would make the *specified* violation of these provisions punishable as an infraction.

This bill would impose a state-mandated local program by creating a new crime.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 23003.1 is added to the Business and
2 Professions Code, to read:

3 23003.1. "Powdered alcohol" means an alcohol prepared or
4 sold in a powder or crystalline form that is used for human
5 consumption in that form or reconstituted as an alcoholic beverage
6 when mixed with water or any other liquid. "Powdered alcohol"
7 does not include "vaporized ~~alcohol~~" *alcohol*," as defined in
8 Section 25621.

9 SEC. 2. Section 23004 of the Business and Professions Code
10 is amended to read:

11 23004. "Alcoholic beverage" includes alcohol, spirits, liquor,
12 wine, beer, and every liquid or solid containing alcohol, spirits,
13 wine, or beer, and which contains one-half of 1 percent or more
14 of alcohol by volume and which is fit for beverage purposes either
15 alone or when diluted, mixed, or combined with other substances.
16 "Alcoholic beverage" does not include "powdered alcohol," as
17 defined in Section 23003.1.

18 SEC. 3. Section 23005 of the Business and Professions Code
19 is amended to read:

20 23005. "Distilled spirits" means an alcoholic beverage obtained
21 by the distillation of fermented agricultural products, and includes
22 alcohol for beverage use, spirits of wine, whiskey, rum, brandy,
23 and gin, including all dilutions and mixtures thereof. "Distilled
24 spirits" does not include "powdered alcohol," as defined in Section
25 23003.1.

1 ~~SEC. 2.~~

2 ~~SEC. 4.~~ Section 23794 is added to the Business and Professions
3 Code, to read:

4 23794. A license shall not be issued to any applicant to
5 authorize the manufacture, distribution, or retail sale of powdered
6 alcohol.

7 ~~SEC. 3.~~ ~~Section 24200.7 is added to the Business and~~
8 ~~Professions Code, to read:~~

9 ~~24200.7. The department shall revoke or suspend any license~~
10 ~~if the licensee or the agent or employee of the licensee~~
11 ~~manufactures, distributes, or offers for retail sale powdered alcohol.~~

12 ~~SEC. 4.~~

13 ~~SEC. 5.~~ Section 2562325623.5 is added to the Business and
14 Professions Code, to read:

15 ~~25623.~~

16 25623.5. (a) A person shall not *possess*, purchase, sell, offer
17 for sale, manufacture, distribute, ~~possess~~, or use powdered alcohol.

18 ~~(b) (1) Any person who sells, offers for sale, manufactures, or~~
19 ~~distributes powdered alcohol is guilty of an infraction that shall~~
20 ~~be punishable by a fine of not more than five hundred dollars~~
21 ~~(\$500).~~

22 ~~(2)~~

23 (b) Any person who purchases, possesses, or uses powdered
24 alcohol is guilty of an infraction and subject to a fine of one
25 hundred twenty-five dollars (\$125).

26 ~~SEC. 5.~~

27 ~~SEC. 6.~~ No reimbursement is required by this act pursuant to
28 Section 6 of Article XIII B of the California Constitution because
29 the only costs that may be incurred by a local agency or school
30 district will be incurred because this act creates a new crime or
31 infraction, eliminates a crime or infraction, or changes the penalty
32 for a crime or infraction, within the meaning of Section 17556 of
33 the Government Code, or changes the definition of a crime within
34 the meaning of Section 6 of Article XIII B of the California
35 Constitution.